


## **APPENDIX B**

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## Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Friday, December 2, 2011

### **Statement of the Department of Justice's Antitrust Division on Its Decision to Close Its Investigation of Google Inc.'s Acquisition of Admeld Inc.**

WASHINGTON – The Department of Justice's Antitrust Division issued the following statement today after announcing the closing of its investigation into the proposed acquisition of Admeld Inc., an online display advertising service provider, by Google Inc.:

"The Antitrust Division obtained extensive information from Google, Admeld and a wide range of market participants in connection with its merger investigation of the proposed transaction. After a thorough review of the evidence, the division concluded that the transaction is not likely to substantially lessen competition in the sale of display advertising.

"Although the Antitrust Division concluded that this particular transaction was unlikely to cause consumer harm, the division will continue to be vigilant in the enforcement of the antitrust laws to protect competition in display and other forms of online advertising.

"The division's investigation focused on the potential effect of the proposed transaction on competition in the display advertising industry. Both Google and Admeld provide services and technology to web publishers that facilitate the sale of those publishers' display advertising space. Google is a diversified software company whose offerings for publishers include an advertising exchange, an advertising network and an ad server. Admeld operates a supply-side platform (SSP) that helps publishers optimize the yield from their display advertising inventory.

"The investigation determined that web publishers often rely on multiple display advertising platforms and can move business among them in response to changes in price or the quality of ad placements. This use of multiple display advertising platforms, commonly called "multi-homing," lessens the risk that the market will tip to a single dominant platform. In addition, there have been recent SSP and advertising exchange entrants in the display advertising industry. These were significant considerations in the division's decision to close the investigation.

"Given Google's significant presence in search, as previously noted during our [2010 investigation involving Microsoft/Yahoo!](#) and [2008 investigation involving Google/Yahoo!](#), the Antitrust Division also carefully evaluated whether Google's acquisition of Admeld would enable Google to extend its market power in the Internet search industry to online display advertising through anticompetitive means. The division will continue to rigorously enforce the antitrust

laws to ensure that transactions affecting evolving markets such as display and other forms of online advertising, as well as search, do not inhibit competition or innovation in any way.

“Google Inc., based in Mountain View, Calif., operates the largest Internet search engine in the world and one of the largest display advertising platforms. Google derives revenue primarily from advertising, both as a publisher itself and as an intermediary between advertisers and other publishers. Aside from advertising-related products, Google’s software offerings include a smartphone operating system, web-based email and mapping programs. In 2010, Google had revenues of approximately \$29 billion.

“Admeld Inc., established in 2007 and based in New York City, operates one of the largest SSPs in the display advertising industry. Admeld offers a combination of services that include usage of its own advertising exchange, facilitating interaction with advertising networks and general advisory services. In 2010, Admeld raised approximately \$30 million.”

The division provides this statement under its policy of issuing statements concerning the closing of investigations in appropriate cases. This statement is limited by the division’s obligation to protect the confidentiality of certain information obtained in its investigations. As in most of its investigations, the division’s evaluation has been highly fact-specific, and many of the relevant underlying facts are not public. Consequently, readers should not draw overly broad conclusions regarding how the division is likely in the future to analyze other collaborations or activities, or transactions involving particular firms. Enforcement decisions are made on a case-by-case basis, and the analysis and conclusions discussed in this statement do not bind the division in any future enforcement actions. Guidance on the division’s policy regarding closing statements is available at [www.justice.gov/atr/public/closing/index.html](http://www.justice.gov/atr/public/closing/index.html).

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Antitrust Division

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